



General Assembly

February Session, 2006

Raised Bill No. 5620

LCO No. 2339

02339_____HED

Referred to Committee on Higher Education and Employment
Advancement

Introduced by:
(HED)

***AN ACT CONCERNING THE PRIVATE OCCUPATIONAL SCHOOL
STUDENT PROTECTION ACCOUNT.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Subsection (a) of section 10a-22u of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2006*):

4 (a) There shall be an account to be known as the private
5 occupational school student protection account within the General
6 Fund. Each private occupational school authorized in accordance with
7 the provisions of sections 10a-22a to 10a-22k, inclusive, shall pay to the
8 State Treasurer an amount equal to [one-half of one] one and three-
9 quarters per cent of the tuition received by such school per calendar
10 quarter exclusive of any refunds paid, except that correspondence and
11 home study schools authorized in accordance with the provisions of
12 sections 10a-22a to 10a-22k, inclusive, shall contribute to said account
13 only for Connecticut residents enrolled in such schools. Payments shall
14 be made by January thirtieth, April thirtieth, July thirtieth and October
15 thirtieth in each year for tuition received during the three months next

16 preceding the month of payment. Said account shall be used for the
17 purposes of section 10a-22v. Any interest, income and dividends
18 derived from the investment of the account shall be credited to the
19 account. All direct expenses for the maintenance of the account may be
20 charged to the account upon the order of the State Comptroller. The
21 Commissioner of Higher Education may assess the account (1) for all
22 direct expenses incurred in the implementation of the purposes of this
23 section which are in excess of the normal expenditures of the
24 Department of Higher Education for accounting, auditing and clerical
25 services, and (2) for the fiscal years ending June 30, 2000, and June 30,
26 2001, in an amount not to exceed one hundred seventy thousand
27 dollars in each of such fiscal years for personnel and administrative
28 expenses for the purposes of sections 10a-22a to 10a-22k, inclusive,
29 provided such amount does not exceed the annual interest accrual,
30 which shall be transferred to the appropriation of the Department of
31 Higher Education for personal services and other expenses for
32 positions and responsibilities relating to said sections, provided the
33 department has expended all federal funds that may be available for
34 personnel and administrative expenses for the purposes of said
35 sections. [After disbursements are made pursuant to subdivisions (1)
36 and (2) of this subsection, if the resources of the private occupational
37 school student protection account exceed two million five hundred
38 thousand dollars, no additional school assessments shall be made.]

39 Sec. 2. Section 10a-22w of the general statutes is repealed and the
40 following is substituted in lieu thereof (*Effective October 1, 2006*):

41 On or before June thirtieth of each year the State Treasurer shall
42 determine the balance of the account established pursuant to section
43 10a-22u, as amended by this act. Following such determination by the
44 State Treasurer, if the balance of the account is [more than two million
45 five hundred thousand dollars] five per cent or more of annual net
46 tuition income, schools which began payments to the account on or
47 before October 1, 1987, shall cease further payments to the account
48 until it falls below five per cent of such annual net tuition income at

49 which time payment shall be resumed pursuant to section 10a-22u, as
50 amended by this act. Schools which [begin] began payments to the
51 account after October 1, 1987, shall continue to make payments to the
52 account when the balance of the account is [six] five per cent or more
53 of such annual net tuition income. [for a period of time equal to the
54 number of calendar quarters from October 1, 1987, to the date on
55 which the account first equaled said six per cent, provided such
56 schools shall make payments to the account pursuant to said section
57 10a-22u when the account falls below five per cent of such annual net
58 tuition income.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2006	10a-22u(a)
Sec. 2	October 1, 2006	10a-22w

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Sec. 2	October 1, 2006	10a-22w

Statement of Purpose:

To revise the quarterly payment rates and thresholds for the cessation of payments made to the private occupational school student protection account.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]